

RHF

JUN 1970

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT : Excerpt From the Report Prepared By The House Committee on Appropriations on the 1960 Department of Defense Appropriation Bill

1. This memorandum is for information only.

2. It is thought that the Director and other top officials of the Agency may be interested in reading the following excerpt on intelligence which was taken from the Report by the House Committee on Appropriations in reporting out the Department of Defense Appropriation Bill for Fiscal Year 1960.

"Any attempt to reach a determination on total defense requirements necessitates a thorough-going evaluation of the world-wide situation which we are now facing and the probabilities with which we must be prepared to cope. Such an evaluation naturally involves some knowledge of our latest intelligence appraisals. The Committee received extensive briefings in this regard. It was on the basis of these intelligence evaluations that the President's Budget was originally prepared and that the Committee action has been taken. There is, of course, always room for differences of opinion in the evaluation of intelligence data.

"Many decisions pertaining to the military budget depend a great deal upon the accuracy of intelligence information and its evaluation. Wrong information or an incorrect evaluation in this regard could cost billions of dollars and endanger the security of the Nation. The importance of proper intelligence and evaluation cannot be overstated. To be on the safe side the Nation must always be prepared for the worst.

"It is agreed that the military threat as posed by the Communist bloc is the major element of concern to our national security. However, there are additional and serious threats to our position of world leadership in economic, scientific and technological areas. All these areas are inter-related.

"Last year the Committee stated:

* * * the world is moving rapidly into a period of increasing danger -- danger to ourselves, our

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possible enemies, and for that matter, to all peoples of the world.

The intercontinental ballistic missile era is now upon us. It is estimated that during this calendar year the U.S.S.R. and the United States will have ICBM's ready for operational deployment with troops. The predominant weapons carrier today is the manned aircraft but missile predominance is definitely on the way. Nevertheless, during this transition period we must continue to rely in considerable degree on the old while perfecting the new. Military planning and decisions on military procurement are extremely difficult at this point. Obviously, the old is still necessary and may continue to be necessary for some time to come. The difficulty comes in trying to determine the extent to which the old should be carried forward. Indications are that a mix of old and new weapons may be required for a long time. Many military men of unquestioned ability are reluctant to give up the old reliable and familiar weapons for new weapons untested in actual armed conflict. It is during a period of transition such as the present that the expense of maintaining a balanced military force is the greatest. As the newer weapons become more reliable a clearer picture of our long range military requirements should come into focus.

"As it stands today, both sides in the great power struggle between the East and the West already have the capability to inflict upon one another tremendous damage. It is believed, however, that the edge still rests with the strategic air capability of the United States."

STATINTL



E. R. SAUNDERS
Comptroller